



3014 (02-09-04)

ANNUAL REPORT

OF

Name: TOWN OF CALEDONIA - WATER UTILITY - DISTRICT NO. 1

Principal Office: 6922 NICHOLSON ROAD
CALEDONIA, WI 53108

For the Year Ended: DECEMBER 31, 2003

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: TOWN OF CALEDONIA - WATER UTILITY - DISTRICT NO. 1

Utility Address: 6922 NICHOLSON ROAD
CALEDONIA, WI 53108

When was utility organized? 1/1/1963

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: ROBERT LUI

Title: MANAGER

Office Address:

6922 NICHOLSON ROAD
CALEDONIA, WI 53108

Telephone: (262) 835 - 7765

Fax Number: (262) 835 - 2247

E-mail Address: n/a

Individual or firm, if other than utility employee, preparing this report:

Name: JOHN KNEPEL

Title: PARTNER

Office Address: VIRCHOW, KRAUSE & COMANPY, LLP

115 SOUTH 84TH STREET, SUITE 400
MILWAUKEE, WI 53214

Telephone: (414) 777 - 5500 EXT 5359

Fax Number: (414) 777 - 5555

E-mail Address: jknepel@virchowkrause.com

President, chairman, or head of utility commission/board or committee:

Name: RONALD KELAND

Title: PRESIDENT OF COMMISSION

Office Address:

6922 NICHOLSON ROAD
CALEDONIA, WI 53108

Telephone: (262) 835 - 7765

Fax Number: (262) 835 - 2247

E-mail Address: n/a

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: JOHN KNEPEL**Title:** PARTNER**Office Address:** VIRCHOW, KRAUSE & COMPANY, LLP
115 SOUTH 84TH STREET, SUITE 400
MILWAUKEE, WI 53214**Telephone:** (414) 777 - 5500 EXT 5359**Fax Number:** (414) 777 - 5555**E-mail Address:** jknepel@virchowkrause.com**Date of most recent audit report:** 2/26/2004**Period covered by most recent audit:** JANUARY 1, 2003 - DECEMBER 31, 2003

Names and titles of utility management including manager or superintendent:

Name: MR ROBERT LUI**Title:** MANAGER**Office Address:**6922 NICHOLSON ROAD
CALEDONIA, WI 53108**Telephone:** (262) 835 - 7765**Fax Number:** (262) 835 - 2247**E-mail Address:** n/a

Name of utility commission/committee:

Names of members of utility commission/committee:DR JOHN FRITSCHKE, COMMISSIONER
MR RONALD KELAND, PRESIDENT
MR J. FELIX MCCAULEY, COMMISSIONER
MR ROBERT WITTKE, SECRETARY
MR WAYNE WORDEN, VICE PRESIDENT

Is sewer service rendered by the utility? NO**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:** 

Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)? NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	659,886	598,745	1
Operating Expenses:			
Operation and Maintenance Expense (401-402)	456,607	410,912	2
Depreciation Expense (403)	84,552	200,868	3
Amortization Expense (404-407)	38,462	38,462	4
Taxes (408)	4,847	4,779	5
Total Operating Expenses	584,468	655,021	
Net Operating Income	75,418	(56,276)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	75,418	(56,276)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Income from Nonutility Operations (417)	0		8
Nonoperating Rental Income (418)	0	0	9
Interest and Dividend Income (419)	141,073	132,165	10
Miscellaneous Nonoperating Income (421)	704,567	0	11
Total Other Income	845,640	132,165	
Total Income	921,058	75,889	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	0	0	12
Other Income Deductions (426)	139,668	0	13
Total Miscellaneous Income Deductions	139,668	0	
Income Before Interest Charges	781,390	75,889	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	287,182	323,068	14
Amortization of Debt Discount and Expense (428)	21,129	21,079	15
Amortization of Premium on Debt--Cr. (429)	0		16
Interest on Debt to Municipality (430)	2,581	3,386	17
Other Interest Expense (431)	0	0	18
Interest Charged to Construction--Cr. (432)	0		19
Total Interest Charges	310,892	347,533	
Net Income	470,498	(271,644)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	802,449	809,144	20
Balance Transferred from Income (433)	470,498	(271,644)	21
Miscellaneous Credits to Surplus (434)	8,238,376	264,949	22
Miscellaneous Debits to Surplus--Debit (435)	0	0	23
Appropriations of Surplus--Debit (436)	0	0	24
Appropriations of Income to Municipal Funds--Debit (439)	0	0	25
Total Unappropriated Earned Surplus End of Year (216)	9,511,323	802,449	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	659,886		659,886	1
Total (Acct. 400):	659,886	0	659,886	
Operation and Maintenance Expense (401-402):				
Derived	456,607		456,607	2
Total (Acct. 401-402):	456,607	0	456,607	
Depreciation Expense (403):				
Derived	84,552		84,552	3
Total (Acct. 403):	84,552	0	84,552	
Amortization Expense (404-407):				
Derived	38,462		38,462	4
Total (Acct. 404-407):	38,462	0	38,462	
Taxes (408):				
Derived	4,847		4,847	5
Total (Acct. 408):	4,847	0	4,847	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	75,418	0	75,418	

OTHER INCOME**Income from Merchandising, Jobbing and Contract Work (415-416):**

Derived	0		0	8
Total (Acct. 415-416):	0	0	0	

Income from Nonutility Operations (417):

NONE	0		0	9
Total (Acct. 417):	0	0	0	

Nonoperating Rental Income (418):

NONE	0		0	10
Total (Acct. 418):	0	0	0	

Interest and Dividend Income (419):

INVESTMENT INCOME	6,114	0	6,114	11
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INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Interest and Dividend Income (419):			
INTEREST ON SPECIAL ASSESSMENTS	134,959	0	134,959 12
Total (Acct. 419):	141,073	0	141,073
Miscellaneous Nonoperating Income (421):			
Contributed Plant - Water		704,567	704,567 13
NONE	0	0	0 14
Total (Acct. 421):	0	704,567	704,567
TOTAL OTHER INCOME:	141,073	704,567	845,640

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
NONE	0	0	0 15
Total (Acct. 425):	0	0	0
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		139,668	139,668 16
NONE	0	0	0 17
Total (Acct. 426):	0	139,668	139,668
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	0	139,668	139,668

INTEREST CHARGES

Interest on Long-Term Debt (427):			
Derived	287,182		287,182 18
Total (Acct. 427):	287,182	0	287,182
Amortization of Debt Discount and Expense (428):			
1998 DEBT DISCOUNT	13,451		13,451 19
1999 DEBT DISCOUNT	7,678		7,678 20
Total (Acct. 428):	21,129	0	21,129
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 21
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	2,581		2,581 22
Total (Acct. 430):	2,581	0	2,581

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Income from Nonutility Operations, Account 417.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Other Interest Expense (431):			
Derived	0		0 23
Total (Acct. 431):	0	0	0
Interest Charged to Construction--Cr. (432):			
NONE	0		0 24
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	310,892	0	310,892
NET INCOME:	(94,401)	564,899	470,498
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	802,449	0	802,449 25
Total (Acct. 216):	802,449	0	802,449
Balance Transferred from Income (433):			
Derived	(94,401)	564,899	470,498 26
Total (Acct. 433):	(94,401)	564,899	470,498
Miscellaneous Credits to Surplus (434):			
TAXES LEVIED FOR OPERATIONS	299,739	0	299,739 27
ADJUSTMENT FOR CONTRIBUTION IN AID OF CONSTRU		7,938,637	7,938,637 28
Total (Acct. 434):	299,739	7,938,637	8,238,376
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 29
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 30
Total (Acct. 436)--Debit:	0	0	0
Appropriations of Income to Municipal Funds--Debit (439):			
NONE	0	0	0 31
Total (Acct. 439)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	1,007,787	8,503,536	9,511,323

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs & Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	659,886	0	0	0	659,886	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents	0	0		0	0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify:						
.					0	6
Revenues subject to Wisconsin Remainder Assessment	659,886	0	0	0	659,886	

DISTRIBUTION OF TOTAL PAYROLL

1. Amounts charged to Utility Financed and to Contributed Plant accounts should be combined and reported in plant or accumulated depreciation accounts.
2. Amount originally charged to clearing accounts as shown in column (b) should be shown as finally distributed in column (c).
3. The amount for clearing accounts in column (c) is entered as a negative for account "Clearing Accounts" and the distributions to accounts on all other lines in column (c) will be positive with the total of column (c) being zero.
4. Provide additional information in the schedule footnotes when necessary.

Accounts Charged (a)	Direct Payroll Distribution (b)	Allocation of Amounts Charged Clearing Accts. (c)	Total (d)	
Water operating expenses			0	1
Electric operating expenses			0	2
Gas operating expenses			0	3
Heating operating expenses			0	4
Sewer operating expenses			0	5
Merchandising and jobbing			0	6
Other nonutility expenses			0	7
Water utility plant accounts	51,498		51,498	8
Electric utility plant accounts			0	9
Gas utility plant accounts			0	10
Heating utility plant accounts			0	11
Sewer utility plant accounts			0	12
Accum. prov. for depreciation of water plant			0	13
Accum. prov. for depreciation of electric plant			0	14
Accum. prov. for depreciation of gas plant			0	15
Accum. prov. for depreciation of heating plant			0	16
Accum. prov. for depreciation of sewer plant			0	17
Clearing accounts			0	18
All other accounts			0	19
Total Payroll	51,498	0	51,498	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	13,879,529	13,007,571	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	1,321,462	627,576	2
Net Utility Plant	12,558,067	12,379,995	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	0	0	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	0	0	
Investment in Municipality (123)	0	0	5
Other Investments (124)	2,680,628	3,207,303	6
Special Funds (125)	0	0	7
Total Other Property and Investments	2,680,628	3,207,303	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)		568,691	8
Temporary Cash Investments (132)			9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	93,500	93,989	11
Other Accounts Receivable (143)	7,471	83,342	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	1,047,270	1,037,421	14
Materials and Supplies (150)	0	0	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	1,148,241	1,783,443	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	76,333	97,462	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	403,363	115,386	20
Total Deferred Debits	479,696	212,848	
Total Assets and Other Debits	16,866,632	17,583,589	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	0	0	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	9,511,323	802,449	23
Total Proprietary Capital	9,511,323	802,449	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	51,358	68,478	25
Other Long-Term Debt (224)	6,225,000	7,026,000	26
Total Long-Term Debt	6,276,358	7,094,478	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)	54,465	225,493	28
Payables to Municipality (233)	145,763	230,427	29
Customer Deposits (235)			30
Taxes Accrued (236)	0	0	31
Interest Accrued (237)	39,776	45,017	32
Other Current and Accrued Liabilities (238)	1,645		33
Total Current and Accrued Liabilities	241,649	500,937	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)	327,969	276,621	35
Other Deferred Credits (253)	509,333	500,801	36
Total Deferred Credits	837,302	777,422	
OPERATING RESERVES			
Property Insurance Reserve (261)			37
Injuries and Damages Reserve (262)			38
Pensions and Benefits Reserve (263)			39
Miscellaneous Operating Reserves (265)			40
Total Operating Reserves	0	0	
CONTRIBUTIONS IN AID OF CONSTRUCTION			
Contributions in Aid of Construction (271)	0	8,408,303	41
Total Liabilities and Other Credits	16,866,632	17,583,589	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	13,007,571	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (101.1)	4,788,133	0	0	0	2
Utility Plant in Service - Contributed Plant (101.2)	9,083,909	0	0	0	3
Utility Plant Purchased or Sold (102)					4
Utility Plant in Process of Reclassification (103)					5
Utility Plant Leased to Others (104)					6
Property Held for Future Use (105)					7
Completed Construction not Classified (106)					8
Construction Work in Progress (107)	7,487				9
Utility Plant Acquisition Adjustments (108)					10
Other Utility Plant Adjustments (109)					11
Total Utility Plant	13,879,529	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	712,128	0	0	0	12
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	609,334	0	0	0	13
Total Accumulated Provision	1,321,462	0	0	0	
Net Utility Plant	12,558,067	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	627,576				627,576	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	84,552				84,552	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
Total credits	84,552	0	0	0	84,552	13
Debits during year						14
Book cost of plant retired	0				0	15
Cost of removal					0	16
Other debits (specify):						17
					0	18
Total debits	0	0	0	0	0	19
Balance end of year (110.1)	712,128	0	0	0	712,128	20
Composite Depreciation Rate?	No					21
If yes, what is the rate?						22

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN
SERVICE (ACCT. 110.2)**

Depreciation Accruals (Credits) during the year (110.2):

1. Report the amounts charged to Depreciation Expense (426).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.2)					0	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	139,668				139,668	4
Accruals charged other						5
accounts (specify):						6
					0	7
Salvage					0	8
Other credits (specify):						9
Est. deprec on contrib plnt 1/1/03	469,666				469,666	10
Total credits	609,334	0	0	0	609,334	11
Debits during year						12
Book cost of plant retired	0				0	13
Cost of removal					0	14
Other debits (specify):						15
					0	16
Total debits	0	0	0	0	0	17
Balance end of year (110.2)	609,334	0	0	0	609,334	18
Composite Depreciation Rate?	No					19
If yes, what is the rate?						20

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
NONE	0			0	2
Total Nonutility Property (121)	0	0	0	0	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	0	0	0	0	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)
Electric Utility						
Fuel for generation					0	0 1
Other					0	0 2
Total Electric Utility					0	0

Account	Total End of Year	Amount Prior Year
Electric utility total	0	0 1
Water utility		0 2
Sewer utility		0 3
Gas utility		0 4
Merchandise		0 5
Other materials & supplies		0 6
Total Materials and Supplies	0	0

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
1998 DEBT DISCOUNT	13,451	428	30,265	1
1999 DEBT DISCOUNT	7,678	428	46,068	2
Total			76,333	
Unamortized premium on debt (251)				
NONE				3
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)
Balance first of year	0 1
Changes during year (explain):	2
Balance end of year	<u>0</u>

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)	
Advances (223)					
ADVANCE FROM TOWN	01/01/1996	03/15/2006	4.70%	51,358	1
Total for Account 223				51,358	
Other Long-Term Debt (224)					
GENERAL OBLIGATION NOTES	03/01/2002	04/01/2010	2.00%	160,000	2
GENERAL OBLIGATION REFUNDING BONDS	12/01/1998	06/01/2016	4.00%	2,540,000	3
GENERAL OBLIGATION NOTES	11/09/1999	05/01/2009	4.50%	3,525,000	4
Total for Account 224				6,225,000	

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Accruals:		
Charged water department expense	4,847	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	4,847	
Taxes paid during year:		
County, state and local taxes		6
Social Security taxes	4,096	7
PSC Remainder Assessment	751	8
Other (explain):		
NONE		9
Total payments and other debits	4,847	
Balance end of year	0	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
 2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
ADVANCES TO MUNICIPALITY	2,548	2,581	3,218	1,911	2
Subtotal	2,548	2,581	3,218	1,911	
Other Long-Term Debt (224)					
GENERAL OBLIGATION NOTES	33,062	181,235	184,848	29,449	3
GENERAL OBLIGATION REFUNDING BONDS	9,407	105,947	106,938	8,416	4
Subtotal	42,469	287,182	291,786	37,865	
Notes Payable (231)					
NONE	0			0	5
Subtotal	0	0	0	0	
Total	45,017	289,763	295,004	39,776	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
SPECIAL ASSESSMENTS	2,680,628	2
Total (Acct. 124):	2,680,628	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	93,500	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	93,500	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
OVERPAYMENT TO CONTRACTOR	7,471	11
Total (Acct. 143):	7,471	
Receivables from Municipality (145):		
DELINQUENT ACCOUNTS ON TAX ROLL	42,757	12
SPECIAL ASSESSMENTS ON TAX ROLL	522,573	13
SUBSEQUENT YEARS TAX LEVY	481,940	14
Total (Acct. 145):	1,047,270	
Prepayments (165):		
NONE		15
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		16
Total (Acct. 182):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Other Deferred Debits (183):		
UNAMORTIZED CONSTRUCTION COSTS - PSC AUTHORIZED (6/19/01)	76,924	17
IMPACT FEES - RESTRICTED CASH INVESTMENTS	326,439	18
Total (Acct. 183):	403,363	
Payables to Municipality (233):		
AMOUNT DUE TO SEWER UTILITY FOR WATER PROJECT	8,000	19
AMOUNT DUE TO SEWER UTILITY FOR CASH ADVANCE	137,763	20
Total (Acct. 233):	145,763	
Other Deferred Credits (253):		
SUBSEQUENT YEARS TAX LEVY	481,940	21
DEFERRED SPECIAL ASSESSMENTS	27,393	22
Total (Acct. 253):	509,333	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (101.1)	3,816,128	0	0	0	3,816,128	1
Materials and Supplies	0	0	0	0	0	2
Other (specify):					0	3
Less Average:						
Reserve for Depreciation (110.1)	669,852	0	0	0	669,852	4
Customer Advances for Construction					0	5
					0	6
Average Net Rate Base	3,146,276	0	0	0	3,146,276	
Net Operating Income	75,418	0	0	0	75,418	7
Net Operating Income as a percent of						
Average Net Rate Base	2.40%	N/A	N/A	N/A	2.40%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

1. Acquisitions.

2. Leaseholder changes.

3. Extensions of service.

4. Estimated changes in revenues due to rate changes.

5. Obligations incurred or assumed, excluding commercial paper.

6. Formal proceedings with the Public Service Commission.

7. Any additional matters.

FINANCIAL SECTION FOOTNOTES

Signature Page (Page ii)

General footnotes

ACCOUNTANTS' COMPILATION REPORT

Town Board
Town of Caledonia
Racine County, Wisconsin

We have compiled the accompanying PSC Report of the Town of Caledonia Water Utility District No. 1, an enterprise fund of the Town of Caledonia, as of December 31, 2003 and 2002 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting, in the form prescribed by the Wisconsin Public Service Commission, information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Wisconsin Public Service Commission which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

Milwaukee, Wisconsin
February 26, 2004

CONTRIBUTIONS IN AID OF CONSTRUCTION (ACCOUNT 271)

Particulars (a)	Water (b)	Electric		Sewer (e)	Gas (f)	Total (g)	
		Distribution (c)	Other (d)				
Balance First of Year	8,408,303	0	0	0	0	8,408,303	1
Add credits during year:							
NONE						0	2
Deduct charges (specify):							
Closed January 1, 2003 per Docket 05-US-105	8,408,303					8,408,303	3
Balance End of Year	0	0	0	0	0	0	

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	655,845	595,366	1
Total Sales of Water	655,845	595,366	
Other Operating Revenues			
Forfeited Discounts (470)	4,041	3,379	2
Miscellaneous Service Revenues (471)	0		3
Rents from Water Property (472)	0		4
Interdepartmental Rents (473)	0		5
Other Water Revenues (474)	0	0	6
Amortization of Construction Grants (475)		0	7
Total Other Operating Revenues	4,041	3,379	
Total Operating Revenues	659,886	598,745	
Operation and Maintenance Expenses			
Source of Supply Expenses (600-605)	230,448	209,910	8
Pumping Expenses (620-625)	10,664		9
Water Treatment Expenses (630-635)	0		10
Transmission and Distribution Expenses (640-655)	68,740	99,531	11
Customer Accounts Expenses (901-904)	9,691		12
Sales Expenses (910)	0		13
Administrative and General Expenses (920-935)	137,064	101,471	14
Total Operation and Maintenance Expenses	456,607	410,912	
Other Operating Expenses			
Depreciation Expense (403)	84,552	200,868	15
Amortization Expense (404-407)	38,462		16
Taxes (408)	4,847	4,779	17
Total Other Operating Expenses	127,861	205,647	
Total Operating Expenses	584,468	616,559	
NET OPERATING INCOME	75,418	(17,814)	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial	4	1,024	3,359	2
Industrial				3
Total Unmetered Sales to General Customers (460)	4	1,024	3,359	
Metered Sales to General Customers (461)				
Residential	1,446	101,923	347,305	4
Commercial	82	37,540	105,967	5
Industrial	19	6,063	16,472	6
Total Metered Sales to General Customers (461)	1,547	145,526	469,744	
Private Fire Protection Service (462)	26		9,334	7
Public Fire Protection Service (463)	1		173,408	8
Other Sales to Public Authorities (464)				9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	1,578	146,550	655,845	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
------------------------------------	--	--	-------------------------------

NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	173,408	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	173,408	
Forfeited Discounts (470):		
Customer late payment charges	2,368	5
Other (specify):		
SPECIAL ASSESSMENT LETTERS	1,673	6
Total Forfeited Discounts (470)	4,041	
Miscellaneous Service Revenues (471):		
NONE		7
Total Miscellaneous Service Revenues (471)	0	
Rents from Water Property (472):		
NONE		8
Total Rents from Water Property (472)	0	
Interdepartmental Rents (473):		
NONE		9
Total Interdepartmental Rents (473)	0	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department		10
Other (specify):		
NONE		11
Total Other Water Revenues (474)	0	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
SOURCE OF SUPPLY EXPENSES			
Operation Labor (600)			1
Purchased Water (601)	230,448	209,910	2
Operation Supplies and Expenses (602)			3
Maintenance of Water Source Plant (605)			4
Total Source of Supply Expenses	230,448	209,910	
PUMPING EXPENSES			
Operation Labor (620)	5,150	0	5
Fuel for Power Production (621)			6
Fuel or Power Purchased for Pumping (622)	2,939		7
Operation Supplies and Expenses (623)			8
Maintenance of Pumping Plant (625)	2,575		9
Total Pumping Expenses	10,664	0	
WATER TREATMENT EXPENSES			
Operation Labor (630)		0	10
Chemicals (631)			11
Operation Supplies and Expenses (632)			12
Maintenance of Water Treatment Plant (635)			13
Total Water Treatment Expenses	0	0	
TRANSMISSION AND DISTRIBUTION EXPENSES			
Operation Labor (640)	3,605	52,309	14
Operation Supplies and Expenses (641)	1,631	643	15
Maintenance of Distribution Reservoirs and Standpipes (650)	2,575		16
Maintenance of Mains (651)	29,515	46,579	17
Maintenance of Services (652)	2,575		18
Maintenance of Meters (653)	18,024		19
Maintenance of Hydrants (654)	9,785		20
Maintenance of Other Plant (655)	1,030		21
Total Transmission and Distribution Expenses	68,740	99,531	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 25 percent, but not less than \$5,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
CUSTOMER ACCOUNTS EXPENSES			
Meter Reading Labor (901)			22
Accounting and Collecting Labor (902)	7,875		23
Supplies and Expenses (903)	1,816		24
Uncollectible Accounts (904)			25
Total Customer Accounts Expenses	9,691	0	
SALES EXPENSES			
Sales Expenses (910)			26
Total Sales Expenses	0	0	
ADMINISTRATIVE AND GENERAL EXPENSES			
Administrative and General Salaries (920)	8,215	16,230	27
Office Supplies and Expenses (921)	2,321	3,497	28
Administrative Expenses Transferred--Credit (922)			29
Outside Services Employed (923)	79,411	43,953	30
Property Insurance (924)	13,500	8,994	31
Injuries and Damages (925)	2,779		32
Employee Pensions and Benefits (926)	19,992	19,131	33
Regulatory Commission Expenses (928)	4,678		34
Miscellaneous General Expenses (930)	3,581	6,952	35
Transportation Expenses (933)	2,587	2,714	36
Maintenance of General Plant (935)			37
Total Administrative and General Expenses	137,064	101,471	
Total Operation and Maintenance Expenses	456,607	410,912	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent			0	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department			0	2
Net property tax equivalent		0	0	
Social Security		4,096	4,013	3
PSC Remainder Assessment		751	766	4
Other (specify): NONE			0	5
Total tax expense		4,847	4,779	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	333,769	46,243	17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	333,769	46,243	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	0		23
Total Water Treatment Plant	0	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			380,012 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	380,012
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	973,612		26
Transmission and Distribution Mains (343)	7,515,847	1,464,504	27
Fire Mains (344)	0		28
Services (345)	1,331,069	284,896	29
Meters (346)	150,756	10,667	30
Hydrants (348)	823,465	137,700	31
Other Transmission and Distribution Plant (349)	43,564		32
Total Transmission and Distribution Plant	10,838,313	1,897,767	
GENERAL PLANT			
Land and Land Rights (389)	17,109		33
Structures and Improvements (390)	0		34
Office Furniture and Equipment (391)	240		35
Computer Equipment (391.1)			36
Transportation Equipment (392)	24,280		37
Stores Equipment (393)			38
Tools, Shop and Garage Equipment (394)			39
Laboratory Equipment (395)			40
Power Operated Equipment (396)			41
Communication Equipment (397)			42
SCADA Equipment (397.1)			43
Miscellaneous Equipment (398)	38,715		44
Other Tangible Property (399)			45
Total General Plant	80,344	0	
Total utility plant in service directly assignable	11,252,426	1,944,010	
Common Utility Plant Allocated to Water Department	0		46
Total utility plant in service	11,252,426	1,944,010	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			0	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			973,612	26
Transmission and Distribution Mains (343)		(6,534,956)	2,445,395	27
Fire Mains (344)			0	28
Services (345)		(1,157,352)	458,613	29
Meters (346)			161,423	30
Hydrants (348)		(715,995)	245,170	31
Other Transmission and Distribution Plant (349)			43,564	32
Total Transmission and Distribution Plant	0	(8,408,303)	4,327,777	
GENERAL PLANT				
Land and Land Rights (389)			17,109	33
Structures and Improvements (390)			0	34
Office Furniture and Equipment (391)			240	35
Computer Equipment (391.1)			0	36
Transportation Equipment (392)			24,280	37
Stores Equipment (393)			0	38
Tools, Shop and Garage Equipment (394)			0	39
Laboratory Equipment (395)			0	40
Power Operated Equipment (396)			0	41
Communication Equipment (397)			0	42
SCADA Equipment (397.1)			0	43
Miscellaneous Equipment (398)			38,715	44
Other Tangible Property (399)			0	45
Total General Plant	0	0	80,344	
Total utility plant in service directly assignable	0	(8,408,303)	4,788,133	
Common Utility Plant Allocated to Water Department				0 46
Total utility plant in service	0	(8,408,303)	4,788,133	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)			1
Franchises and Consents (302)			2
Miscellaneous Intangible Plant (303)			3
Total Intangible Plant	<u>0</u>	<u>0</u>	
 SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			4
Structures and Improvements (311)			5
Collecting and Impounding Reservoirs (312)			6
Lake, River and Other Intakes (313)			7
Wells and Springs (314)			8
Infiltration Galleries and Tunnels (315)			9
Supply Mains (316)			10
Other Water Source Plant (317)			11
Total Source of Supply Plant	<u>0</u>	<u>0</u>	
 PUMPING PLANT			
Land and Land Rights (320)			12
Structures and Improvements (321)			13
Boiler Plant Equipment (322)			14
Other Power Production Equipment (323)			15
Steam Pumping Equipment (324)			16
Electric Pumping Equipment (325)			17
Diesel Pumping Equipment (326)			18
Hydraulic Pumping Equipment (327)			19
Other Pumping Equipment (328)			20
Total Pumping Plant	<u>0</u>	<u>0</u>	
 WATER TREATMENT PLANT			
Land and Land Rights (330)			21
Structures and Improvements (331)			22
Water Treatment Equipment (332)			23
Total Water Treatment Plant	<u>0</u>	<u>0</u>	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			0 23
Total Water Treatment Plant	0	0	0

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$50,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than accounts 372.1 and 397.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			24
Structures and Improvements (341)			25
Distribution Reservoirs and Standpipes (342)			26
Transmission and Distribution Mains (343)		539,006	27
Fire Mains (344)			28
Services (345)		112,000	29
Meters (346)			30
Hydrants (348)		24,600	31
Other Transmission and Distribution Plant (349)			32
Total Transmission and Distribution Plant	0	675,606	
GENERAL PLANT			
Land and Land Rights (389)			33
Structures and Improvements (390)			34
Office Furniture and Equipment (391)			35
Computer Equipment (391.1)			36
Transportation Equipment (392)			37
Stores Equipment (393)			38
Tools, Shop and Garage Equipment (394)			39
Laboratory Equipment (395)			40
Power Operated Equipment (396)			41
Communication Equipment (397)			42
SCADA Equipment (397.1)			43
Miscellaneous Equipment (398)			44
Other Tangible Property (399)			45
Total General Plant	0	0	
Total utility plant in service directly assignable	0	675,606	
Common Utility Plant Allocated to Water Department			46
Total utility plant in service	0	675,606	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			0 26
Transmission and Distribution Mains (343)		6,534,956	7,073,962 27
Fire Mains (344)			0 28
Services (345)		1,157,352	1,269,352 29
Meters (346)			0 30
Hydrants (348)		715,995	740,595 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	0	8,408,303	9,083,909
GENERAL PLANT			
Land and Land Rights (389)			0 33
Structures and Improvements (390)			0 34
Office Furniture and Equipment (391)			0 35
Computer Equipment (391.1)			0 36
Transportation Equipment (392)			0 37
Stores Equipment (393)			0 38
Tools, Shop and Garage Equipment (394)			0 39
Laboratory Equipment (395)			0 40
Power Operated Equipment (396)			0 41
Communication Equipment (397)			0 42
SCADA Equipment (397.1)			0 43
Miscellaneous Equipment (398)			0 44
Other Tangible Property (399)			0 45
Total General Plant	0	0	0
Total utility plant in service directly assignable	0	8,408,303	9,083,909
Common Utility Plant Allocated to Water Department			0 46
Total utility plant in service	0	8,408,303	9,083,909

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January				0	1
February				0	2
March	36,757			36,757	3
April				0	4
May				0	5
June	40,355			40,355	6
July				0	7
August				0	8
September	70,907			70,907	9
October				0	10
November				0	11
December	29,817			29,817	12
Total annual pumpage	177,836	0	0	177,836	
Less: Water sold				146,550	13
Volume pumped but not sold				31,286	14
Volume sold as a percent of volume pumped				82%	15
Volume used for water production, water quality and system maintenance				13,392	16
Volume related to equipment/system malfunction					17
Non-utility volume NOT included in water sales				348	18
Total volume not sold but accounted for				13,740	19
Volume pumped but unaccounted for				17,546	20
Percent of water lost				10%	21
If more than 25%, indicate causes and state what action has been taken to reduce water loss:					22
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				923	23
Date of maximum: 7/12/2003					24
Cause of maximum:					25
Very dry conditions					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				396	26
Date of minimum: 12/8/2003					27
Total KWH used for pumping for the year				18,247	28
If water is purchased: Vendor Name: RACINE WATER UTILITY					29
Point of Delivery: (SEE FOOTNOTE)					30

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)
-------------------------	--	----------------------------------	--	---	--

NONE

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	BOOSTER STATION			1
Location	7822 DUNKELOW ROAD			2
Purpose	P			3
Destination	R			4
Pump Manufacturer	AURORA PENTAIR GROUP			5
Year Installed	2001			6
Type	CENTRIFUGAL			7
Actual Capacity (gpm)	2,800			8
Pump Motor or Standby Engine Mfr	MARATHON MOTORS			10
Year Installed	2001			11
Type	ELECTRIC			12
Horsepower	60			13

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				23
Year Installed				24
Type				25
Horsepower				26

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification number or name	4101 NICHOLSON ROAD			1
RESERVOIRS, STANDPIPES OR ELEVATED TANKS				2
				3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	ET			4
				5
Year constructed	2001			6
				7
Primary material (earthen, steel, concrete, other)	STEEL			8
				9
Elevation difference in feet (See Headnote 3.)	121			10
				11
Total capacity in gallons (actual)	750,000			12
WATER TREATMENT PLANT				13
Disinfection, type of equipment (gas, liquid, powder, other)				14
				15
Points of application (wellhouse, central facilities, booster station, other)				16
				17
Filters, type (gravity, pressure, other, none)				18
				19
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)				20
				21
				22
Is a corrosion control chemical used (yes, no)?				23
				24
Is water fluoridated (yes, no)?				25

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

			Number of Feet					
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	6.000	17,221	0	0	0	17,221	1
P	D	6.000	45	0	0	0	45	2
M	D	8.000	11,950	0	0	0	11,950	3
P	D	8.000	43,916	10,062	0	0	53,978	4
M	T	12.000	20,525	0	0	0	20,525	5
P	T	12.000	36,918	4,350	0	0	41,268	6
P	T	16.000	3,115	2,643	0	0	5,758	7
M	T	20.000	11,942	1,800	0	0	13,742	8
M	T	24.000	2,342	3,135	0	7,419	12,896	9
P	T	24.000	7,419	0	0	(7,419)	0	10
Total Within Municipality			155,393	21,990	0	0	177,383	
Total Utility			155,393	21,990	0	0	177,383	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	399	0	0	0	399	5	1
M	1.000	1,209	267	0	0	1,476	98	2
M	1.250	7	0	0	0	7		3
M	1.500	127	6	0	0	133		4
M	2.000	6	1	0	0	7		5
M	4.000	11	0	0	0	11		6
M	6.000	21	3	0	0	24		7
M	8.000	3	0	0	0	3		8
M	10.000	1	0	0	0	1		9
M	12.000	2	0	0	0	2		10
Total Utility		1,786	277	0	0	2,063	103	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.750	1,425	69	0	1	1,495	127	1
1.000	12	2	0	0	14	0	2
1.500	45	0	0	0	45	0	3
2.000	11	0	0	1	12	0	4
3.000	0	2	0	(1)	1	0	5
4.000	1	0	0	0	1	0	6
8.000	1	0	0	0	1	1	7
Total:	1,495	73	0	1	1,569	128	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.750	1,448	18	4	0	0	25	1,495	1
1.000	0	12	0	0	0	2	14	2
1.500	0	45	0	0	0	0	45	3
2.000	0	8	4	0	0	0	12	4
3.000	0	1	0	0	0	0	1	5
4.000	0	1	0	0	0	0	1	6
8.000	0	1	0	0	0	0	1	7
Total:	1,448	86	8	0	0	27	1,569	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	0				0	1
Within Municipality	388	47			435	2
Total Fire Hydrants	388	47	0	0	435	
Flushing Hydrants						
	0				0	3
Total Flushing Hydrants	0	0	0	0	0	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	388
Number of distribution system valves end of year:	468
Number of distribution valves operated during year:	126

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

General footnotes

In 2003, the Town changed from PSC reporting class D to reporting class C. Because of the switch of classes, there was a change in account structure. The following accounts had increases/decreases from the prior year of greater than 25% but not less than \$5,000 because of the change in account structure:

- 600 - Operation Labor
- 620 - Operation Labor
- 622 - Fuel or Power Purchased for Pumping
- 640 - Operation Labor
- 650 - Maintenance of Distribution Reservoirs and Standpipes
- 651 - Maintenance of Mains
- 653 - Maintenance of Meters
- 654 - Maintenance of Hydrants
- 902 - Accounting and Collecting Labor
- 920 - Administrative and General Salaries
- 923 - Outside services employed

Additionally:

902 - Accounting and Collecting Labor - The utility incorrectly reported this expense as part of administrative and general salaries in prior year. The 2003 amounts have been reclassified to the proper account.

923 - Outside Services Employed - During 2003, there was an abnormal amount of water main breaks. Typically, the Utility will see 8-11 breaks during the winter season. During winter 2003, there were 18.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

General footnotes

Adjustments were made to account #'s 343, 345, & 348 for the Contribution in aid of Construction adjustment required by the PSC for reporting purposes.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

General footnotes

Adjustments were made to account #'s 343, 345, & 348 for the Contribution in aid of Construction adjustment required by the PSC for reporting purposes.

Water Mains (Page W-17)

General footnotes

An adjustment of 7,419 24" plastic water mains was made to reduce the ending balance to zero. This adjustment was made because the Town does not have any 24" plastic water mains.

If Added During Year column total is greater than zero, please explain financing following the criteria listed in the schedule headnote No. 5.

Current year additions were financed by developer contributions or by utility capital funds provided.

WATER OPERATING SECTION FOOTNOTES

Water Services (Page W-18)

If net additions are greater than zero, please explain financing by following criteria listed in schedule headnote No. 3.

Current year additions were financed by developer contributions or by utility capital funds provided.

Meters (Page W-19)

General footnotes

The adjustment of 1 meter was made to adjust the counts to detail records.

Hydrants and Distribution System Valves (Page W-20)

General footnotes

Due to a lack of personnel resources, the number of distribution valves operated during the year was below 50%. The Utility will make an effort to resolve this in future years.
